

Speaker Registration/Testimony

2017 AUG 22 PM 12:57

O & C of Honolulu

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 Meeting Date 08-24-2017
 Council/PH Committee Zoning
 Agenda Item 7. Bill 17
 Your position on the matter Oppose
 Representing Self
 Organization
 Do you wish to speak at the hearing? No

Written Testimony I am on the board of a Kaka'ako condo and owner resident. I strongly oppose Bill 17 and the CD1 offered on the 8/24 agenda. Attached is testimony that details the concern with this bill and CD1. The bill should exclude residential condominiums regardless of size.

Testimony Attachment 20170822105130_Bill_17CD1-SM_Testimony-8-24-2017.pdf

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Testimony Before the Zoning & Housing Committee

Wednesday, August 24, 2017 at 9:00 a.m.

Statement in Opposition to Bill 17 and Proposed CD1, Relating to Building Inspections, Agenda Item#7

Chair Kymberly Marcos Pine, Vice Chair Ikaika Anderson and Members:

I am Sharon Moriwaki, an owner occupant of One Waterfront Towers, a Kaka'ako condominium. Our owners care about the proper and long-term maintenance of our aging buildings --and we especially care for the safety of our residents. We therefore conduct regular inspections of our buildings via our reserve study for the purpose of planning ahead to enable us to fund these projects. Our buildings are 27 years old and we thus have to increase our maintenance fees to cover the needed costs to make the major repairs, costing hundreds of thousands of dollars-- particularly difficult for our owners who are themselves aging and some on fixed incomes.

I testified on their behalf at your May 24 hearing; and, with testimony from others who shared with you their concerns. It is disappointing that this committee has not heard the voices of the condo owner constituents in Honolulu. You may not be a condo owner but many are and many more to come. Why aren't we/they being heard and supported?

I wholeheartedly agree and support the intention of Bill 17 (2017) to ensure the safety of people who use the building and to prevent fatal disasters which could be avoided with regular building inspections. This is a bill that responded to the Ala Moana Hotel disaster. Even with the tragedy, these faulty buildings are still not addressing the need. These are the public facilities and private shopping centers that the City should be regulating; not residential condo owners who regulate themselves and must, under state law, as an Association of Apartment Owners (AOAO).

Under state law (Ch 514B, HRS), condos are required to have reserve studies regularly conducted and it is to the benefit --not only a requirement by law-- of the AOAO that it set aside and reserve funds in its budgets for assuring required repairs are made for the safety and health of all its residents.

Specifically, Section 514B-148, HRS, regulates condominiums and requires a reserve study to provide information on repairs and maintenance of major components, e.g., roof, exterior painting, spall repairs, etc. The reserve study is a detailed report on the needed repairs and the proposed costs that must be set aside to do those repairs. Additionally, condo insurance carriers will examine the condo --and can provide a more detailed inspection in a loss control report -- that the condo must address to obtain coverage at reasonable premiums. These safeguards are already in place and require no further taxing of condo owners.

If you don't trust some AOAOs to do what is required under the law, instead of taxing all condo owners, why not require that condominiums provide access to the inspection report when the reserve study inspection is completed. The responsible department can create a website or

other less expensive way for the agency and homeowner association to collect the needed data. The department can follow-up if the building owner's report does not provide sufficient assurances that the exterior walls and appurtenances have been properly inspected or repaired.

Many of our aging buildings require hundreds of thousands of dollars to repair; now Bill 17 requires an additional cost for inspections (an engineering consultant estimated the cost would be about \$10,000 per drop/floor) to tell us what we know. We need the funds --without increasing even further our maintenance fees -- to fix our buildings not to inspect again what we know.

The CD1 being offered on the current agenda doesn't address the problem, which presumably Bill 17 was proposed to do: fix faulty exteriors of large buildings. It excludes buildings with fewer than 100 units and requires inspections every 10 years. That is not the problem.

To address the problem of faulty exteriors in large buildings, Bill 17 should focus its attention on public facilities and not on our residences which we condo homeowners are capable of doing ourselves and are doing. Don't penalize the many condo associations who are trying to care for their buildings --Bill 17, CD1, as currently drafted undermines these efforts. Put the emphasis on the commercial buildings that are used by the thousands every day. It is not necessary for the city to intrude into our residences and control what we are all capable of doing with our own funds.

Based on the foregoing, and on behalf of the condo owners of Honolulu, particularly those in buildings with 100 or more units, I strongly urge your committee to file the bill or amend it to restrict its coverage to public facilities --those used by the public such as shopping centers, office buildings, etc. It should exclude residential condominiums of any size; but, if the intent is to penalize condo associations that don't follow the law, then add language to require reserve study reports to be filed or available for City inspection.

Thank you for the opportunity to testify.

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